GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:345
ANSWERED ON:16.08.2001
REVIEW OF PERFORMANCE OF GARMENTS AND TEXTILES PRODUCTION
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Will the Minister of TEXTILES be pleased to state:

(a) whether performance of garments and textiles production has been reviewed recently;

(b) if so, the details thereof;

(c) the requirements of additional financial resources in this sector; and

(d) the steps taken/proposed to be taken to increase the production of textiles and garments to reduce the gap between production and export?

Answer

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No.345 for 16.8.2001.

(a) & (b):The performance of production of garments and textiles is reviewed from time to time. The figures of production of textiles during the last two years are given below :-

Items	Unit	1999- 00	2000-01 (P)
Yarn (cotton, spun and man-made)	Million Kg	3940	4079
Fabrics (cotton, blended and 100% non-cotton)	Million Sq. Mtr.	39202	40908

Source: Textile Commissioner, Mumbai

Note:

+ = Cotton year,
P = Provisional.

The production of garments during the last two calendar years has been as follows:-

(Million Pcs)

Item	1999	2000
Garments	5528.2	5893.7

Source: Clothing Manufacturer Association of India (CMAI),

(c) & (d): The production of textiles and garments is sufficient to meet the current domestic and export demand. However, to sustain competitiveness of our textile and clothing products in the domestic and the export markets and to increase exports, the quality, productivity and technology needs to be upgraded, for which additional investments would be necessary. In order to encourage required investments, in pursuance of National Textile Policy (NTxP-2000), a`Textile Package` has been announced in the Union Budget 2001-02. Some of the important provisions of the `Textile Package` are:-

(i) Excise duty structure on textile items has been generally rationalized to achieve growth and maximum value addition.

(ii) Customs duty has been reduced from 15% to 5% on 159 specified textile and garment machineries. In addition, 12 important items of machineries including shuttleless looms have also been exempted from countervailing duty. A programme has been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.

(iii) Assistance under Technology Upgradation Fund Scheme (TUFS) providing for a reimbursement of 5% out of interest is available to textile industry for modernisation and upgradation. In addition, rate of depreciation allowance for machinery under TUFS has been raised to 50%.

(iv) A provision of Rs.10 crores has been earmarked in the Budget 2001-02 for establishment of Apparel Parks for production and export of garments. Besides a provision of Rs.15 crores has been made for the Scheme for improvement of critical infrastructure facilities at major textile production centers.